

Washington State: Continuing a Legacy As the World's Leader in Aerospace

For nearly a century, Washington has been the world's leader in aerospace. And thanks to responsive leadership over the past six years from the Governor, House and Senate, our state will continue in that tradition for years to come.

Incentives

Fostering Local Economic Development

Tax Incentives for Boeing (HB 2294)

A \$3.2 billion, 20-year tax incentive package that lowered Boeing's cost of doing business in the state contingent upon Boeing choosing Washington for construction of the 7E7. (2003)

Tax Incentives for Boeing's local manufacturing partners (SB 6828)

In addition to the \$3.2 billion in tax incentives offered Boeing, we lowered the sales-and-use and business-and-occupation tax on the parts manufacturers in Washington that supply Boeing. **Fifteen of our 39 counties include significant amounts of the commercial aerospace industry - five of which are in eastern Washington.** (2008)

Use Tax Correction (HB 1977)

This legislation clarifies specific tax regulations, and therefore eliminates the collection of roughly \$60 million in taxes, primarily from the manufacturing sector. (2003)

7E7 Implementation

\$614,000 was provided to the Department of Community, Trade and Economic Development for staff to coordinate the state's role in siting Boeing's 7E7 Dreamliner final assembly plant, which was awarded to Washington in December 2003. (2004)



Workers Compensation Reform (HB 2158)

We reformed the worker's compensation system at the request of Boeing and the business community, to support a sound and stable financial basis for the system, and allow immediate efficiencies in administration.

Unemployment Insurance (HB 2152)

In an effort to help win the 7E7, as well as improve our state's competitiveness, unemployment insurance laws were amended making them less costly for businesses. Further action over the years has led to greater tax equity for businesses and reduction in benefit payouts that has made Washington's systems even more competitive. (2003)

Unemployment Insurance Federal Conformity (HB 2204 / SB 5963)

At the request of Boeing and business community, the Legislature will conform to federal guidelines regarding employer charges and paid benefits. In addition, the employer tax rates are reduced, essentially reducing the UI trust fund to a sustainable and responsible level. (2009)

Streamlined Government

Removing the Red Tape for Washington's Businesses

Building Codes (HB 1734)

This updates the state's commercial building codes, providing a smooth transition to modern building standards and ensuring health and safety in the workplace. (2003)

Shorelines Management (HB 1933)

We passed a bill that clarifies how local governments are to manage shoreline development. This facilitates progress on the proposed Boeing Pier at the Port of Everett. Boeing has proposed building the pier to be able to ship plane parts in and out of the area. (2003)

**Leadership
in the
State of
Washington**



Transportation Leadership

Moving People and Commerce More Effectively than Ever Before

Transportation Funding (HB 1163)

Via a new 5 cents per gallon gas tax, the landmark transportation package will raise \$4.2 billion over 10 years, to invest in transportation projects throughout the state. Our state's economy is dependent upon making sure we can move goods around the state efficiently. (2003)

Investing the 9.5 cent Gas Tax Increase Back into our State

Thanks to strong legislative leadership, the citizens of Washington passed a gas tax increase that pays for critical infrastructure improvements, including safety, congestion relief, ferry construction, rural and urban transit service for the elderly and disabled, and freight mobility. (2005)

Education Investments

Creating the Highly Skilled Workforce of Tomorrow

Tuition Setting Authority (ESSB 5448)

Gives greater tuition-setting authority to state institutions of higher education. Businesses like Boeing rely on a well-educated workforce, and this will allow institutions of higher education the ability to fund an ever-increasing demand for faculty and other services. (2003)

Employment Resource Center

\$1.6 million in funding was provided to the Department of Community Trade and Economic Development for lease costs associated with the Employment Resource Center required by the Master Site Agreement negotiated in 2003. The Center is located close to Paine Field in Everett and will house the workforce training program for the 787 Dreamliner and its suppliers. A Department of Employment Security WorkSource office will be located in the building to provide employment, training, and business services to job seekers and employers in the aerospace and other industries. (2006)

Advanced Materials Center

\$1.2 million was provided to establish an interdisciplinary Advanced Materials Science and Engineering Center at Western Washington University. This center integrates chemistry, physics, and engineering into the production of materials that are employed in industries such as aerospace, microelectronics, and biotechnology. (2007)

Aerospace Apprenticeships

\$3.0 million was provided to the State Board for Community and Technical Colleges (SBCTC) to support apprenticeships in the aerospace sector. Of the \$3.0 million, \$2.15 million is to support program development, curriculum development, equipment purchases, training, and related expenses of the apprenticeship program. The remaining \$85,000 is to support 130 enrollment slots at no more than three community and technical colleges, with at least one college being located east of the Cascade Mountains. (2008)



Incentives

Fostering Local Economic Development

Transportation Leadership

Moving People and Commerce More Effectively than Ever Before

Streamlined Government

Removing Red Tape for Washington's Businesses

Education Investments

Creating the Highly Skilled Workforce of Tomorrow

